IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

C.W.P. No.2017 of 2007
Date of Decision:27.02.2007

Rajender Kumar and others

.....Petitioners

Vs.

Haryana Financial Corporation, Chandigarh and another

.....Respondents

CORAM:- HON'BLE MR. JUSTICE M.M.KUMAR
HON'BLE MR. JUSTICE RAJESH BINDAL

Present:- Mr.N.M.Popli, Advocate for the petitioners.

Mr. Kamal Sehgal, Advocate for the respondents.

M.M.Kumar, J.

The prayer made in this petition is for quashing notices based on recovery certificates dated 4.12.2006 and 22.1.2007 (Annexures P.1 and P.2) issued by the Haryana Financial Corporation, Chandigarh (respondent No.1) on the principal ground that there is no compliance of Section 32(4) of the State Financial Corporation Act, 1951. It could not be disputed that the matter is covered against the respondents by the judgment of Hon'ble the Supreme Court in the case of **M/s Unique Butyle Tubes Industry Pvt. Ltd. v. U.P.Financial Corporation,** (2003) 2 SCC 455 and the same has been followed by a Division Bench of this Court in the case of **Vikas Sethi v. Haryana Financial Corporation & another** (C.W.P. No.1651 of 2006 decided on 16.11.2006) holding that the provisions of Section 3 of Haryana Public Money (Recovery of Dues) Act, 1979 cannot be invoked. The Division Bench while quashing the recovery certificate has also granted liberty to the respondent to proceed against the petitioner in accordance with law.

In view of the above, we are of the considered view that the notices based on recovery certificates dated 4.12.2006 and 22.1.2007 (Annexures P.1 and P.2) and the recovery certificates themselves cannot stand judicial scrutiny and, therefore, are hereby quashed. However, we grant liberty to the respondents to proceed against the petitioners in accordance with law by passing fresh order.

(M.M.KUMAR)
JUDGE

February 27, 2007 **(RAJESH BINDAL)**
renu **JUDGE**